

Message Text

LIMITED OFFICIAL USE

PAGE 01 LA PAZ 05846 222157Z

15

ACTION ARA-10

INFO OCT-01 ISO-00 TRSY-02 AID-05 CIAE-00 COME-00 EB-07

FRB-03 INR-07 NSAE-00 USIA-06 XMB-02 OPIC-03 SP-02

CIEP-01 LAB-04 SIL-01 OMB-01 NSC-05 SS-15 STR-04

CEA-01 AGR-05 L-03 H-02 INT-05 CU-02 DODE-00 PA-01

PRS-01 /099 W

----- 038115

R 222045Z AUG 75

FM AMEMBASSY LA PAZ

TO SECSTATE WASHDC 7767

INFO AMEMBASSY ASUNCION

AMEMBASSY BOGOTA

AMEMBASSY BUENOS AIRES

AMEMBASSY BRASILIA

AMEMBASSY CARACAS

AMEMBASSY LIMA

AMEMBASSY MONTIVIDEO

AMEMBASSY MEXICO CITY

AMEMBASSY QUITO

AMEMBASSY SANTIAGO

AMEMBASSY PANAMA

LIMITED OFFICIAL USE LA PAZ 5846

E.O. 11652: N/A

TAGS: PFOR, BL

SUBJECT: ECONOMIC PROVISIONS OF BANZER - PEREZ JOINT
DECLARATION

REF: LA PAZ 5590

1. MOST ENDURING ARTICLE OF BANZER-PEREZ JOINT DECLARATION
LIKELY TO BE LAST ARTICLE 14 WHICH RECORDED BILATERAL ECON-
OMIC AGREEMENT, LONG SOUGHT
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 LA PAZ 05846 222157Z

BY BOLIVIAN NEGOTIATORS. WHILE AMOUNTS IN AGREEMENT

FAR LESS THAN ANTICIPATED BY LOCAL PRESS, VENEZUELAN
HAVE ESTABLISHED POSIION OF INFLUENCE IN BOLIVIA, IF
IMPLEMSNTATION GOES SMOOTHLY. ONE OF KEY BOLIVIAN
ENGAGED IN NEGOTIATIONS INFORMED ECONOFF THAT AGREED FUNDING
WILL NOT RPT NOT NEED VENEZUELAN CONGRESSIONAL APPROVAL.
MOST IMPORTANT ECONOMIC ARICLES ARE 1) VENEZUELAN SOFT LOAN TO
BOLIVIA FOR US\$10 MILLION AGRICULTURAL "TRUST FUND," (PROBABLY
TO BE USED TO DEVELOP ABAPO-IZOZOG PROJECT IN ORIENTE), 2)
ANNOUNCED BILATERAL COOPERATION IN ANDEAN PACT, ESPECIALLY ON
PETROCHEMICAL ASSIGNMENT (SEE LA PAZ 4267), AND 3) VENEZUELAN
ASSISTANCE ON CENTRAL SUCRE-POTOSI-ARIJA HIGHWAY. THIS LAST
ASSISTANCE, WHICH BOLIVIA BEEN SEEKING FROM ARGENTINA FOR MANY
YEARS, WILL PROVIDE IMPORTANT LINKS IN-COUNTRY AND WITH
ARGENTINA, BUT TERMS OF AGREEMENT ARE VAGUE AND TANGIBLE
RESULTS ARE LIKELY TO BE FAR IN FUTURE. NOW THAT SIZE OF
AID COMMITMENT KNOWN AND HARDER JOB OF WORKING OUT DETAILS
LIES AHEAD, MAGIC WHICH VENEZUELA HAS HAD LOCALLY WILL
PREDICTABLY FADE A BIT.

2. TEXT OF ECONOMIC PROVISIONS (ARTICLE 14) FOLLOWS: QUOTE:
BOTH PRESIDENTS AGREE TO CARRY OUT COOPERATION PROGRAMS
BETWEEN THE TWO COUNTRIES IN SUCH A WAY THAT THE BASIC AIM OF
THE BILATERAL ACTIONS WILL BE TO FULFILL DEVELOPMENTAL
PRIORITIES AND FOSTER THE UNITY WHICH BOTH COUNTRIES STRIVE FOR.
IN THIS REGARD, THE FOLLOWING AGREEMENTS WERE REACHED:

(A) TO COOPERATE IN THE FINANCIAL SECTOR AND TO UNITE EFFORTS
SO THAT BOLIVIA CAN CONSOLIDATE THE USE OF ITS NATURAL RESOURCES
AND ITS INDUSTRIALIZATION PROCESS, GIVING SPECIAL EMPHASIS TO
THE CREATION OF A TRANSPORTATION INFRASTRUCTURE WITHIN BOLIVIAN
TERRITORY WHICH WILL FACILITATE THE SOVEREIGN EXPLOITATION OF
ITS BASIC RESOURCES AND THE EXPORT OF ITS MANUFACTURED PRODUCTS.

(B) TO INSTRUCT ITS PLENIPOTENTIARIES AT THE CARTAGENA AGREEMENT
COMMISSION TO EXERT THEIR UTMOST EFFORTS TOWARD REACHING AN
AGREEMENT REGARDING THE BASES THAT WILL INSURE AN EFFECTIVE
COOPERATION WITH THE REST OF THE MEMBER COUNTRIES IN THE FIELDS
OF AUTOMOTIVE AND PETROCHEMICAL PROGRAMMING.

(C) THE VENEZUELAN GOVERNMENT REITERATES ITS DECISION TO YIELD
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 LA PAZ 05846 222157Z

TO BOLIVIA, UNDER THE CONDITIONS ESTABLISHED BY ITS PLENIPOTENTIARY
IN THE CARTAGENA AGREEMENT, THE SHARE OF HIGH DENSITY POLYETHYLENE
IT HAS BEEN ALLOTTED TO SELL IN THE SUBREGIONAL MARKET AS A CO-
CONSIGNEE IN ORDER TO FACILITATE AN ADEQUATE VOLUME OF PRODUCTION
OF THAT PRODUCT AND TO CONTRIBUTE TO RAISING THE LEVEL OF ETHYLENE
PRODUCTION IN THE BOLIVIAN PETROCHEMICAL COMPLEX.

(D) THE GOVERNMENT OF THE REPUBLIC OF VENEZUELA WILL ESTABLISH

A TRUST FUND OF US \$ 10 MILLION FOR BOLIVIA, WITH TERMS SIMILAR TO THOSE ESTABLISHED FOR THE FUND FOR SPECIAL OPERATIONS OF THE INTER-AMERICAN DEVELOPMENT BANK, IN ORDER TO CONTRIBUTE TO THE FINANCING OF AGRICULTURAL PROJECTS ON CONCESSIONAL TERMS.

(E) THE GOVERNMENT OF THE REPUBLIC OF VENEZUELA WILL CONTRIBUTE US \$1 MILLION TO THE TRUST FUND OF THE ANDEAN DEVELOPMENT CORPORATION IN ORDER TO FINANCE PRE-INVESTMENT STUDIES WHICH THE BOLIVIAN GOVERNMENT MAY UNDERTAKE.

(F) THE REPUBLIC OF VENEZUELA WILL CONTRIBUTE 8.5 MILLION BOLIVARES TO FINANCE PROJECTS RELATED TO THE COMMEMORATION OF THE 150TH ANNIVERSARY OF THE REPUBLIC OF BOLIVIA AS AN OBLIGATORY AND FRATERNAL SALUTE TO THE FATHERLAND WHICH FOREVER BEARS THE LIBERATOR'S NAME.

(G) THE GOVERNMENT OF THE REPUBLIC OF VENEZUELA WILL PROVIDE THE TECHNICAL RESOURCES AND COOPERATION NECESSARY TO CARRY OUT THE FEASIBILITY STUDIES FOR THE SUCRE-POTOSI-TARIJA HIGHWAY. THE VENEZUELAN GOVERNMENT WILL COOPERATE WITH THE BOLIVIAN GOVERNMENT TO OBTAIN THE FUNDS TO FINANCE THIS PROJECT.

(H) THE GOVERNMENT OF THE REPUBLIC OF VENEZUELA WILL SUPPLY THE ASPHALT NECESSARY TO PAVE THE SUCRE POTOSI-TARIJA HIGHWAY.

(I) THE GOVERNMENT OF THE REPUBLIC OF VENEZUELA WILL SUPPLY THE EQUIPMENT NECESSARY TO OUTFIT THE OPERATING ROOMS OF THE LA PAZ CIVIC-MILITARY HOSPITAL AS A GIFT FROM THE VENEZUELAN ARMED FORCES TO THE BOLIVIAN ARMED FORCES.

(J) THE GOVERNMENT OF THE REPUBLIC OF VENEZUELA WILL ESTABLISH 50 SCHOLARSHIPS FOR BOLIVIAN STUDENTS FOR POST-GRADUATE STUDIES IN VENEZUELAN UNIVERSITIES AND SCIENTIFIC AND TECHNICAL RESEARCH LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 04 LA PAZ 05846 222157Z

CENTERS.

(K) AS JUST RECOGNITION OF THE IDEALS OF POLITICAL INDEPENDENCE WHICH WERE CONCEIVED AND SPREAD FROM THE CITY OF SUCRE AND ITS UNIVERSITY, AND BASED ON THE STRONG CONVICTION THAT THE ROAD TO LATIN AMERICAN ECONOMIC INDEPENDENCE IS BASED ON ITS INTEGRATION, BOTH CHIEFS OF STATE RESOLVE TO PROMOTE THE ESTABLISHMENT OF A SCHOOL FOR INEGRATION STUDIES AT THE UNIVERSITY OF SUCRE. THE GOVERNMENT OF VENEZUELA WILL HELP SUPPORT THE LATIN AMERICAN STUDENTS WHO ATTEND THIS SCHOOL THROUGHT ITS GRAN MARISCAL DE AYACUCHHO SCHOLARSHIP PROGRAM.

(L) BOTH CHIEFS OF STATE AGREE TO ESTABLISH A BOLIVIAN-VENEZUELAN FOUNDATION TO PROMOTE CULTURAL EXCHANGE BETWEEN THE TWO COUNTRIES.

(M) THEY AGREE CARRY OUT THE PRELIMINARY STUDIES AND TO UNDER-TAKE THE SUBSEQUENT TECHNICAL AND FINANCIAL COOPERATION NECESSARY TO ESTABLISH A CORPORATION FOR CRAFTS AND SMALL AND MEDIUM INDUSTRY WHICH WILL FINANCE THE DEVELOPMENT TO A SECTOR SO IMPORTANT TO THE INDEPENDENCE OF THE BOLIVIAN PEASANT.

(N) THE PLANNING MINISTERS OF BOLIVIA AND VENEZUELA WILL MEET PERIODICALLY TO CONTINUE IDENTIFYING AND EVALUATING THE PROJECTS THAT THEY WILL BE THE OBJECT OF THIS COOPERATION.

AT THE CONCLUSION OF THE TALKS, WHICH TOOK PLACE IN A CLIMATE OF FRATERNAL SOLIDARITY AND UNDERSTANDING, THE PRESIDENT OF THE REPUBLIC OF VENEZUELA THANKED THE BOLIVIAN PRESIDENT FOR THE MANY DEMONSTRATIONS OF SUPPORT AND THE WARM WELCOME WHICH THE PEOPLE AND GOVERNMENT OF BOLIVIA ACCORDED HIM, HIS WIFE AND THE RETINUE THAT ACCOMPANIED HIM DURING HIS OFFICIAL VISIT. PRESIDENT PEREZ EXTENDED TO PRESIDENT BANZER AN INVITATION TO VISIT VENEZUELA, WHICH WAS GRATEFULLY ACCEPTED BY THE BOLIVIAN CHIEF OF STATE.

LA PAZ, 8 EIGHT AUGUST 1975

(SIGNED) HUGO BANZER SUAREZ, CARLOS ANDRES PEREZ

END OF QUOTE.

STEDMAN

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TEXT, DECLARATIONS, ECONOMIC AGREEMENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 22 AUG 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: GolinoFR
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975LAPAZ05846
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750292-0319
From: LA PAZ
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750828/aaaaaxtd.tel
Line Count: 192
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION ARA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 75 LA PAZ 5590
Review Action: RELEASED, APPROVED
Review Authority: GolinoFR
Review Comment: n/a
Review Content Flags:
Review Date: 03 SEP 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <03 SEP 2003 by CunninFX>; APPROVED <08 DEC 2003 by GolinoFR>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
06 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: ECONOMIC PROVISIONS OF BANZER - PEREZ JOINT DECLARATION
TAGS: PFOR, BL, VE, (BANZER SUAREZ, HUGO), (PEREZ, CARLOS ANDRES)
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006